



4004

**ANNUAL REPORT**

OF

Name: MIDWAY TELEPHONE COMPANY, LLC

Principal Office: 525 JUNCTION ROAD  
P.O. BOX 5158  
MADISON, WI 53717  
PO Box Zip Code: 53705-0158

For the Year Ended: DECEMBER 31, 2003

TELECOMMUNICATIONS UTILITY  
TO  
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854  
Madison, WI 53707-7854  
(608) 267-9504

*This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.*

## GENERAL RULES FOR REPORTING

1. The annual report due date is April 1 of the following year. (Example: The 2002 report is due April 1, 2003.) If that date falls on a weekend or holiday, the annual report is due the following business day.
2. **Electronic filing via e-mail is required, unless additional provisional confidential treatment is desired.** Go to the Public Service Commission of Wisconsin's Web Page at <http://psc.wi.gov>, click on the Annual Reports icon, click on Annual Report Programs - Telecommunications, and click the appropriate program for Incumbent Local Exchange Carriers (LECs).
3. LEC entities with no revenues for the report year are required to file a LEC annual report.
4. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records of the utility in conformity with the Uniform System of Accounts prescribed by the Public Service Commission in docket 05-US-113. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
5. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used. However, please show the exact name of the respondent in full on the Identification and Ownership page.
6. Wherever information is requested in a "note," please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
7. Numeric items are limited to digits (0-9). Do not type commas when entering numbers. A minus sign "-" should be entered in the software program to indicate negative values. The program will convert the minus sign to parentheses if a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
8. Please report all dollar amounts to the nearest thousand dollars.
9. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
10. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, the previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
11. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the "Individual or firm, if other than utility employee, preparing this report" portion of the Identification and Ownership schedule, which describes the nature and extent of work performed.
12. The LEC annual report program incorporates provisional confidentiality capability for selected items, based on the Commission's confidentiality determination dated January 29, 2003, as supplemented for the new nonregulated schedules and a request for additional confidential treatment dated April 15, 2004.
13. It is not necessary to manually or electronically "sign" the signature page. It is not necessary to file a hardcopy of the annual report with the Commission.

## GENERAL RULES FOR REPORTING

### 14. **Edit Check, Confidential Listing, Exported Annual Report, and Export Status Files; Filing the Completed Report:**

Program edit checks, which are located under the Admin dropdown menu, should be run at the completion of data entry. Each edit problem lists pertinent schedule(s) as well as the nature of the problem (such as "does not equal"). Edit items should be reviewed and corrected; unresolved problems should be footnoted in the report, if necessary. This screen automatically saves the edit checks to an .edt file that may be viewed and edited (for purposes of adding necessary notations) using a word processing package such as WordPad.

The confidential listing, which is located under the Admin dropdown menu, should also be run at the completion of data entry. This will create a .clf file.

Select the annual report to export from the Main-Report Selection window. Click Admin, Export Data to PSC to start the export process. This will create an .mdb file, which will subsequently be encrypted to a file with an .sen extension. An export status file is also created (with a .txt extension). The export status report file may also be viewed in a word processing package such as WordPad. If you encounter any export errors, please contact the Commission for assistance.

The .edt, .clf, .sen, and .txt files will be zipped to a file with a .zip extension. An e-mail message will be created, addressed to pscrecs@psc.state.wi.us. The .zip file is automatically attached to the e-mail message. After the e-mail is created, it will automatically be sent to the Commission.

Once received and processed by the Commission, you will receive a response indicating that your annual report has been received and is being processed. You will be notified if there are any problems with the annual report filing.

### 15. **Name Changes:**

If a name change (e.g., the new name, the date of the change, and the affected entities with their respective four-digit Commission identification numbers) is identified in the report, documents from the State of Wisconsin Department of Financial Institutions (DFI) also must be submitted to the Commission:

A domestic corporation should send a copy of the stamped page from its Articles of Amendment as filed with DFI. A foreign corporation should send a copy of their Amended Certificate of Authority as issued by DFI.

*These documents can be obtained by:*

1. Calling DFI at (608) 261-7577;
2. Contacting DFI on the web at <http://www.wdfi.org>; or
3. By writing to DFI at P.O. Box 7846, Madison, WI 53707-7846.

**A name change is not effective in the Commission's records until a separate notification letter is sent to the Commission including documentation to confirm registration of that change with the State of Wisconsin Department of Financial Institutions.**

### 16. **Changes to the Annual Report Subsequent to Filing:**

If making revisions to the report subsequent to an electronic filing with the Commission, resubmit the report via e-mail following the procedures set forth above in item number 14. New edit check, confidential listing, exported annual report, and export status files should be created as a result of the revisions.

Revisions to an annual report previously filed on a manual basis also require a new complete manual filing.

## **GENERAL RULES FOR REPORTING**

## SIGNATURE PAGE

I John R. Erpenbach of  
(Person responsible for accounts)

MIDWAY TELEPHONE COMPANY, LLC , certify that I  
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

John R. Erpenbach                      06/11/2004  
(Person responsible for accounts)                      (Date)

Accounting Manager  
(Title)

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**ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS**

<b>Access Line</b>	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
<b>Analog Signal</b>	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
<b>Cellular System</b>	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
<b>Central Office</b>	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
<b>Centrex</b>	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
<b>Channel</b>	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
<b>Customer</b>	A person who uses a telephone as a subscriber.
<b>Digital Signal</b>	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
<b>Equal Access</b>	The ability of the subscriber to use any long distance service by dialing the same number of digits.
<b>Exchange</b>	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
<b>Extended Area Service (EAS)</b>	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
<b>Extended Community Calling (ECC)</b>	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
<b>Feature Group A</b>	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

## ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

<b>Feature Group B</b>	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
<b>Feature Group C</b>	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
<b>Feature Group D</b>	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
<b>FX-IN</b>	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
<b>FX-OUT</b>	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
<b>Host Switching System</b>	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
<b>Local Access Transport Area (LATA)</b>	A geographic area within which an operating company may offer its telecommunications services.
<b>Mobile Telephone</b>	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
<b>Paging</b>	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
<b>Pair</b>	Two wires of a single circuit.
<b>Pay Station</b>	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
<b>Private Line Service</b>	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
<b>Private Branch Exchange (PBX)</b>	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
<b>Radio Common Carrier (RCC)</b>	A company which furnishes public telecommunications service using one or more radio channels.
<b>Remote Switching Unit (RSU)</b>	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.



## **ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS**

<b>Route Miles</b>	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none"><li>1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.</li><li>2. One mile of a cross country route with any combination of outside plant facilities.</li><li>3. One mile of point-to-point microwave or radio link.</li><li>4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.</li><li>5. One mile of joint use line where the utility either owns the facility or leases space.</li></ol>
<b>Stand Alone Switch</b>	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
<b>Trunk</b>	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
<b>Wide Area Telephone Service (WATS)</b>	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
<b>Wire Center</b>	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>

**ABBREVIATIONS USED IN ANNUAL REPORTS**

<b>Acct</b>	.....	Account
<b>Accum</b>	.....	Accumulated
<b>Acq</b>	.....	Acquisition
<b>Admin</b>	.....	Administrative
<b>Alloc</b>	.....	Allocation
<b>Amort</b>	.....	Amortization
<b>CO</b>	.....	Central Office
<b>Depr</b>	.....	Depreciation
<b>Equip</b>	.....	Equipment
<b>Exp</b>	.....	Expenses
<b>EOY</b>	.....	End of Year
<b>FOY</b>	.....	First of Year
<b>Info</b>	.....	Information
<b>ITC</b>	.....	Investment Tax Credit
<b>Misc</b>	.....	Miscellaneous
<b>Nonoper</b>	.....	Nonoperating
<b>Nonreg</b>	.....	Nonregulated
<b>Oper</b>	.....	Operating
<b>Opns</b>	.....	Operations
<b>Orig</b>	.....	Originating
<b>Prop</b>	.....	Property
<b>Receiv</b>	.....	Receivable
<b>Reg</b>	.....	Regulated
<b>Rev</b>	.....	Revenues
<b>Svcs</b>	.....	Services
<b>Telecom</b>	.....	Telecommunications
<b>Term</b>	.....	Terminating
<b>TPIS</b>	.....	Telecommunications Plant in Service
<b>TPUC</b>	.....	Telecommunications Plant Under Construction
<b>Uncoll</b>	.....	Uncollectible

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**IDENTIFICATION AND OWNERSHIP**

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**Exact Utility Name:** MIDWAY TELEPHONE COMPANY, LLC  
**Utility Location:** 525 JUNCTION ROAD  
P.O. BOX 5158  
MADISON, WI 53717  
P.O. BOX ZIP 53705-0158

**Utility Web Site Address:**

**When was utility organized?:** 01/28/1909

**Report any change in name and the effective date:**

**Telephone numbers for potential customers to contact company:**

Business Customers: (715) 748 - 3500    Ext:

Residential Customers: (715) 748 - 3500    Ext:

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**Primary Utility Contact (located at utility address)**

---

**Name:** STEVEN J. VANDEN HEUVEL  
**Title:** GENERAL MANAGER - SALES & SERVICE

**Office Address:** 202 E. OGDEN STREET  
P.O. BOX 240  
MEDFORD, WI 54451

**Fax Number:** (715) 748 - 2545  
**Telephone Number:** (715) 748 - 5002  
**Email Address:** STEVEN.VANDEN.HEUVEL@TDSTELECOM.COM

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**Officer in charge of correspondence concerning this report**

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**Name:** JOHN R. ERPENBACH  
**Title:** ASSISTANT TREASURER

**Office Address:** 525 JUNCTION ROAD  
MADISON, WI 53717

**Fax Number:** (608) 664 - 4519  
**Telephone Number:** (608) 664 - 4289  
**Email Address:** JOHN.ERPENBACH@TDSTELECOM.COM

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**Individual or firm, if other than utility employee, preparing this report**

---

**Name:** JAY G. BRANT  
**Title:** SENIOR ACCOUNTANT  
**Firm:** TDS TELECOM  
**Office Address:** 140 NORTH MONROE STREET  
P.O. BOX 467  
LANCASTER, WI 53813-0467

**Fax Number:** (608) 723 - 2310  
**Telephone Number:** (608) 723 - 3629  
**Email Address:** JAY.BRANT@TDSTELECOM.COM

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**IDENTIFICATION AND OWNERSHIP**

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**Person responsible for financial information contained in report**

---

**Name:** JAY G. BRANT  
**Title:** SENIOR ACCOUNTANT  
  
**Office Address:** 140 NORTH MONROE STREET  
P.O. BOX 467  
LANCASTER, WI 53813-0467  
  
**Fax Number:** (608) 723 - 2310  
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**Email Address:** JAY.BRANT@TDSTELECOM.COM

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**Person responsible for statistical information contained in report**

---

**Name:** JAY G. BRANT  
**Title:** SENIOR ACCOUNTANT  
  
**Office Address:** 140 NORTH MONROE STREET  
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LANCASTER, WI 53813-0467  
  
**Fax Number:** (608) 723 - 2310  
**Telephone Number:** (608) 723 - 3629  
**Email Address:** JAY.BRANT@TDSTELECOM.COM

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**Contact person for regulatory inquiries and complaints**

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**Name:** JEAN M. PAUK  
**Title:** MANAGER - EXTERNAL RELATIONS  
**Firm:** TDS TELECOM  
**Office Address:** 525 JUNCTION ROAD  
MADISON, WI 53717  
  
**Fax Number:** (608) 664 - 4185  
**Telephone Number:** (608) 664 - 4152  
**Email Address:** JEAN.PAUK@TDSTELECOM.COM

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**List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).**

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**Name:** TDS TELECOMMUNICATIONS CORPORATION  
**Address:** 525 JUNCTION ROAD  
MADISON, WI 53717

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**Number of Shares Held:**  
**Beneficial Owner:** NONE

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**List companies owned, controlled, or operated and form and extent of such ownership, control or operation.**

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**Company Name:** NONE  
**Form of Interest:** NONE  
**Extent Of Interest:** NONE

**OFFICERS AND DIRECTORS****Name, Title/Occupation  
and Business Address**

---

<b>Name:</b> DANIEL V. GREGORY <b>Title/Occupation:</b> VICE PRESIDENT <b>Business Address (1):</b> 525 JUNCTION ROAD <b>Business Address (2):</b> <b>Business Address (3):</b> <b>City State, Zip:</b> MADISON, WI 53717	<b>1</b>
<hr/>	
<b>Name:</b> DAVID P. JONES <b>Title/Occupation:</b> SECRETARY/TREASURER <b>Business Address (1):</b> 525 JUNCTION ROAD <b>Business Address (2):</b> <b>Business Address (3):</b> <b>City State, Zip:</b> MADISON, WI 53717	<b>2</b>
<hr/>	
<b>Name:</b> JOHN R. ERPENBACH <b>Title/Occupation:</b> ASSISTANT TREASURER <b>Business Address (1):</b> 525 JUNCTION ROAD <b>Business Address (2):</b> <b>Business Address (3):</b> <b>City State, Zip:</b> MADISON, WI 53717	<b>3</b>
<hr/>	
<b>Name:</b> MICHAEL A. PANDOW <b>Title/Occupation:</b> PRESIDENT <b>Business Address (1):</b> 525 JUNCTION ROAD <b>Business Address (2):</b> <b>Business Address (3):</b> <b>City State, Zip:</b> MADISON, WI 53717	<b>4</b>

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## INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
<b>Operating Revenues</b>			
Operating Revenues (5000-5300)	7,412	6,997	1
<b>Total Operating Revenues</b>	<b>7,412</b>	<b>6,997</b>	
<b>Operating Expenses</b>			
Plant Specific Operations Expenses (6110-6410)	1,014	801	2
Plant Nonspecific Operations Expense	1,756	1,843	3
Customer Operations Expense (6610-6620)	1,119	1,108	4
Corporate Operations Expense (6720-6790)	1,066	1,004	5
Other Operating Income and Expense (7100)	3	3	6
Operating Taxes (7200)	1,032	957	7
<b>Total Operating Expenses</b>	<b>5,984</b>	<b>5,710</b>	
<b>Net Operating Income</b>	<b>1,428</b>	<b>1,287</b>	
<b>Other Income</b>			
Nonoperating Income and Expense (7300)	190	237	8
Nonoperating Taxes (7400)	42	62	9
Interest and Related Items (7500)	137	155	10
Extraordinary Items (7600)	0	0	11
Nonregulated Net Income (7990)	0	0	12
<b>Total Nonoperating Income</b>	<b>11</b>	<b>20</b>	
<b>Net Income</b>	<b>1,439</b>	<b>1,307</b>	

## NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

- 
1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

### TELEPHONE PLANT

Telephone plant is stated as the original cost of construction including capitalized costs such as taxes, pensions, and other fringe benefits, and an allowance for funds used during construction (AFUDC).

### DEPRECIATION

The company provides depreciation for financial reporting purposes using the straight-line method. Renewals and betterments of units of property are charged to telephone plant in service. The original cost of depreciable property retired, together with removal cost less any salvage realized, is charged to accumulated depreciation. Repairs and renewals of minor items of property are charged to maintenance expense. No gain or loss is recognized in connection with ordinary retirements of depreciable property.

### REVENUES

Operating and nonoperating revenues are recognized when earned regardless of the period in which they are billed.

Compensation for all intrastate service is received through tariffed access charges billed to the long distance carrier and retained by the company.

Compensation for interstate access services is received through tariffed access charges filed by the National Exchange Carrier Association (NECA) with the Federal Communications Commission (FCC) on behalf of the member companies. These access charges are billed by the company to the interstate long distance carrier, and pooled with like revenues from all NECA member companies.

### PENSION

The company is a member of the Telephone and Data Systems, Inc. Employees' Pension Trust I. This qualified, noncontributory defined contribution pension plan covers substantially all company employees. Under this plan, pension benefits and costs are funded currently.

### INCOME TAXES

The company is included in the TDS consolidated federal income tax return. For financial reporting purposes, the company computes its federal income tax by applying the statutory rate to all its taxable income.

The company uses the full-normalization method for all timing differences with the resulting book-tax differences being provisioned through the deferred tax accounts. Deferred income taxes resulting from accelerated depreciation used for income tax purposes had previously been provided through the depreciation accounts. Such deferred taxes are credited to income as the related timing differences reverse. Investment tax credits

## NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

income as the related timing differences reverse. Investment tax credits resulting from investments in qualifying telephone plant and equipment have been deferred and are being amortized to income over the service lives of the related property.

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2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.

None.

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3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

The company is restricted from transferring funds to the parent or other affiliates in the form of cash dividends until certain financial requirements of its mortgage indentures have been met. At December 31, 2003, the company could distribute up to \$12,897,523 to the parent or other affiliates in the form of cash dividends.



**BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

Particulars (a)	Balance--EOY	Balance--FOY (000's) (c)	
<b>CURRENT ASSETS</b>			
<b>CASH AND EQUIVALENTS</b>			
Cash and Equivalents (1120)*	11,635	9,885	1
<b>TOTAL CASH AND EQUIVALENTS</b>	<b>11,635</b>	<b>9,885</b>	
<b>RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS</b>			
Telecommunications Accounts Receivable (1180)*	129	179	2
Other Accounts Receivable (1190)*	475	789	3
Receivables (1170)*	10	14	4
Accounts Receivable Allowance-Telecom (1181)*	6	9	5
Accounts Receivable Allowance-Other (1191)*		96	6
Allowance for Doubtful Accounts (1171)*			7
<b>TOTAL RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS</b>	<b>608</b>	<b>877</b>	
<b>SUPPLIES</b>			
Inventories (1220)*	75	60	8
<b>TOTAL SUPPLIES</b>	<b>75</b>	<b>60</b>	
<b>PREPAYMENTS</b>			
Prepayments (1280)*	197	26	9
<b>TOTAL PREPAYMENTS</b>	<b>197</b>	<b>26</b>	
<b>OTHER CURRENT ASSETS</b>			
Other Current Assets (1350)*			10
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>0</b>	<b>0</b>	
<b>TOTAL CURRENT ASSETS</b>	<b>12,515</b>	<b>10,848</b>	
<b>NONCURRENT ASSETS</b>			
<b>INVESTMENTS</b>			
Nonregulated Investments (1406)*			11
RTB Class B Stock (1402)*	229	229	12
Other Noncurrent Assets (1410)*	492	571	13
<b>TOTAL INVESTMENTS</b>	<b>721</b>	<b>800</b>	
<b>DEFERRED CHARGES</b>			
Deferred Maint., Retirements and Other Deferred Charges (1438)*			14
<b>TOTAL DEFERRED CHARGES</b>	<b>0</b>	<b>0</b>	
<b>OTHER JURISDICTIONAL ASSETS-NET</b>			
Other Jurisdictional Assets-Net (1500)*			15
<b>TOTAL OTHER JURISDICTIONAL ASSETS-NET</b>	<b>0</b>	<b>0</b>	
<b>TOTAL NONCURRENT ASSETS</b>	<b>721</b>	<b>800</b>	
<b>PLANT</b>			
<b>TELECOMMUNICATIONS PLANT IN SERVICE</b>			
Telecommunications Plant in Service (2001)*	18,305	17,521	16
Less: Accumulated Depreciation (3100)*	11,767	10,808	17
Less: Accumulated Amortization-Tangible (3400)*			18
Less: Accumulated Amortization-Capitalized Leases (3410)	22	2	19
Less: Accumulated Amortization-Leasehold Improvements (3420)			20
<b>NET TELECOMMUNICATIONS PLANT IN SERVICE</b>	<b>6,516</b>	<b>6,711</b>	

**BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

<b>Particulars (a)</b>	<b>Balance--EOY (000's) (b)</b>	<b>Balance--FOY (000's) (c)</b>	
<b>PLANT</b>			
<b>PROPERTY HELD FOR FUTURE USE</b>			
Property Held for Future Telecommunications Use (2002)*	2	2	21
Less: Accumulated Depr.-Held for Future Telecom. Use (3200)*			22
<b>NET PROPERTY HELD FOR FUTURE USE</b>	<b>2</b>	<b>2</b>	
<b>NONOPERATING PLANT</b>			
Nonoperating Plant (2006)*			23
Less: Accumulated Depreciation-Nonoperating (3300)*			24
<b>NET NONOPERATING PLANT</b>	<b>0</b>	<b>0</b>	
<b>TPUC</b>			
Telecommunications Plant Under Construction (2003)*	122	100	25
<b>TOTAL TPUC</b>	<b>122</b>	<b>100</b>	
<b>TELECOMMUNICATIONS PLANT ADJUSTMENT</b>			
Telecommunications Plant Adjustment (2005)*			26
<b>NET TELECOMMUNICATIONS PLANT ADJUSTMENT</b>	<b>0</b>	<b>0</b>	
<b>GOODWILL</b>			
Goodwill (2007)*			27
<b>TOTAL GOODWILL</b>	<b>0</b>	<b>0</b>	
<b>TOTAL PLANT</b>	<b>6,640</b>	<b>6,813</b>	
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>19,876</b>	<b>18,461</b>	

**BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

<b>Particulars (a)</b>	<b>Balance--EOY (000's) (b)</b>	<b>Balance--FOY (000's) (c)</b>	
<b>CURRENT LIABILITIES</b>			
Notes Payable (4020)*			1
Other Current Accounts and Notes Payable (4000)*	615	547	2
Customers' Deposits (4040)*	2	2	3
Income Taxes-Accrued (4070)*	328	160	4
Other Taxes-Accrued (4080)*	21	25	5
Net Current Deferred Operating Income Taxes (4100)*	(3)		6
Net Current Deferred Nonoperating Income Taxes (4110)*			7
Current Maturities-Long-Term Debt (4050)*	290	273	8
Current Maturities-Capital Leases (4060)*			9
Other Current Liabilities (4130)*	278	129	10
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,531</b>	<b>1,136</b>	
<b>LONG-TERM DEBT</b>			
Funded Debt (4210)*	2,161	2,447	11
Obligations Under Capital Leases (4250)*	20	39	12
Advances from Affiliated Companies (4260)*	0		13
Other Long-Term Debt (4270)*			14
Long-Term Debt and Funded Debt (4200)*			15
<b>TOTAL LONG-TERM DEBT</b>	<b>2,181</b>	<b>2,486</b>	
<b>OTHER LIABILITIES AND DEFERRED CREDITS</b>			
Other Liabilities and Deferred Credits (4300)*	128	131	16
Unamortized Operating Investment Tax Credits-Net (4320)*			17
Unamortized Nonoperating Investment Tax Credits-Net (4330)*			18
Net Noncurrent Deferred Operating Income Taxes (4340)*	345	456	19
Net Deferred Tax Liability Adjustments (4341)*		(3)	20
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*			21
Deferred Tax Regulatory Adjustments-Net (4361)*		3	22
Other Jurisdictional Liabilities and Deferred Credits-Net (4370)*			23
<b>TOTAL OTHER LIABILITIES AND DEFERRED CREDITS</b>	<b>473</b>	<b>587</b>	
<b>STOCKHOLDERS' EQUITY</b>			
Capital Stock (4510)*	607	607	24
Additional Paid-in Capital (4520)*	53	53	25
Treasury Stock (4530)*			26
Other Capital (4540)*			27
Retained Earnings (4550)*	15,031	13,592	28
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>15,691</b>	<b>14,252</b>	
<b>TOTAL LIABILITIES AND OTHER CREDITS</b>	<b>19,876</b>	<b>18,461</b>	

### **IMPORTANT CHANGES DURING THE YEAR**

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1. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates. Provide details and dollar amounts for increases and decreases, respectively, by revenue category noted on Operating Revenues schedule.

**None .**

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2. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

**None .**

## AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

Name of Affiliate (a)	Abbreviations (b)	
TDS Metrocom, Inc.	METROCOM	1
Mt. Vernon Telephone Company, LLC	MT VERNON	2
Other	OTHER	3
Telephone & Data Systems, Inc.	TDS	4
TDS Communications Solutions, Inc.	TDS CS	5
TDS Long Distance Corporation	TDS LD	6
TDS Telecommunications Corporation	TDS TC	7
TDS Telecom Service Corporation	TDS TEL	8

**AFFILIATED INTEREST TRANSACTIONS**

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25 (,000) or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000 (,000), individual contracts or arrangements not exceeding \$100 (,000) may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing.

<b>Particulars</b> <b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	
Docket	5-ATF-183	5-ATF-183	5-ATF-183	5-ATF-183	
Name of Affiliate	MT VERNON	OTHER	OTHER	TDS	<b>1</b>
Designate whether billed to or from:	FROM	FROM	TO	FROM	<b>2</b>
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C	C	C	<b>3</b>
Total Dollar Activity (000's)	---CONF---	---CONF---	---CONF---	---CONF---	<b>4</b>
Percent of affiliate's business billed to all affiliated regulated utilities	---CONF---	---CONF---	---CONF---	---CONF---	<b>5</b>
If cost based, rate of return on equity or markup incorporated in billings	---CONF---	---CONF---	---CONF---	---CONF---	<b>6</b>
Footnotes					

<b>Particulars</b> <b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>	
Docket	5-ATF-183	5-ATF-183			
Name of Affiliate	TDS CS	TDS TEL			<b>1</b>
Designate whether billed to or from:	FROM	FROM			<b>2</b>
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C			<b>3</b>
Total Dollar Activity (000's)	---CONF---	---CONF---			<b>4</b>
Percent of affiliate's business billed to all affiliated regulated utilities	---CONF---	---CONF---			<b>5</b>
If cost based, rate of return on equity or markup incorporated in billings	---CONF---	---CONF---			<b>6</b>
Footnotes					

**AFFILIATED ASSETS AND LIABILITIES**

This schedule should be used to report affiliated activity concerning balances at the end of the year for the following accounts: 1160, Temporary Investments; 1120, Cash and Equivalents (for other than former account 1160); 1180, Telecommunications Accounts Receivable; 1190, Other Accounts Receivable; 1200, Notes Receivable; 1210, Interest and Dividends Receivable; 1170, Receivables (for other than former accounts 1180, 1190, 1200, and 1210); 1401, Investment in Affiliated Companies; 1408, Sinking Funds; 1410, Other Noncurrent Assets (for other than former accounts 1401 and 1408); 4010, Accounts Payable; 4020, Notes Payable; 4000, Current Accounts and Notes Payable (for other than former accounts 4010 and 4020); 4260, Advances from Affiliated Companies; and 4200, Long Term Debt and Funded Debt (for other than former account 4260). Amounts at the end of the year for each affiliate should be identified by respective affiliate and account number. Report information below consecutively by respective account number; affiliated amounts of less than \$5,000 may be reported in aggregate as "Other" for a particular account.

<b>Name of Affiliate (a)</b>	<b>Account Number (b)</b>	<b>Balance EOY (000's) (c)</b>	
Other	1190	---CONF---	<b>1</b>
TDS Long Distance Corporation	1190	---CONF---	<b>2</b>
TDS Telecom Service Corporation	1190	---CONF---	<b>3 O</b>
Telephone & Data Systems, Inc.	1190	---CONF---	<b>4 N</b>
Mt. Vernon Telephone Company, LLC	4000	---CONF---	<b>5</b>
Other	4000	---CONF---	<b>6</b>
TDS Communications Solutions, Inc.	4000	---CONF---	<b>7</b>
TDS Metrocom, Inc.	4000	---CONF---	<b>8 Q</b>
TDS Telecom Service Corporation	4000	---CONF---	<b>9</b>
TDS Telecommunications Corporation	4000	---CONF---	<b>10 P</b>
TDS Communications Solutions, Inc.	4200	---CONF---	<b>11 R</b>

## TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (000's) (c)	Additions (000's) (d)	
<b>GENERAL SUPPORT ASSETS</b>				
Land	2111	29		1
Motor Vehicles	2112	352	25	2
Aircraft	2113			3
Tools and Other Work Equipment	2114	327	13	4
Buildings	2121	436		5
Furniture	2122	22		6
Office Equipment	2123	43	0	7
General Purpose Computers	2124	153		8 c
<b>NET REG--GENERAL SUPPORT ASSETS:</b>		<b>1,362</b>	<b>38</b>	
<b>CENTRAL OFFICE ASSETS</b>				
Non-Digital Switching	2211			9
Digital Electronic Switching	2212	2,220	28	10
Operator Systems	2220			11
Radio Systems	2231	18		12
Circuit Equipment	2232	3,446	111	13
<b>NET REG--CENTRAL OFFICE ASSETS:</b>		<b>5,684</b>	<b>139</b>	
<b>INFORMATION ORIGATION/TERMINATION ASSETS</b>				
Station Apparatus	2311			14
Customer Premises Wiring	2321			15
Large Private Branch Exchanges	2341			16
Public Telephone Terminal Equipment	2351			17
Other Terminal Equipment	2362			18
<b>NET REG--INFORMATION ORIG/TERM ASSETS:</b>		<b>0</b>	<b>0</b>	
<b>CABLE &amp; WIRE FACILITIES ASSETS</b>				
Poles	2411	14		19
Aerial Cable	2421	307	2	20
Underground Cable	2422	205	0	21
Buried Cable	2423	9,560	522	22
Submarine and Deep Sea Cable	2424	0	0	23
Intrabuilding Network Cable	2426	0	0	24
Aerial Wire	2431	29		25
Conduit Systems	2441	101		26
<b>NET REG--CABLE &amp; WIRE FACILITIES ASSETS:</b>		<b>10,216</b>	<b>524</b>	
<b>AMORTIZABLE ASSETS</b>				
Capital Leases	2681	62		27
Leasehold Improvements	2682			28
Intangibles	2690	1,505		29 c,F
Accumulated Amortization - Intangible	3500	1,502	10	30 c
<b>NET REG--AMORTIZABLE ASSETS:</b>		<b>65</b>	<b>(10)</b>	



### TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (000's) (f)	Transfers / Adjustments (000's) (g)	Balance EOY (000's) (h)	
2111			29	1
2112			377	2
2113			0	3
2114			340	4
2121			436	5
2122			22	6
2123	0	0	43	7
2124		6	159	8 c
	0	6	1,406	
2211			0	9
2212	0	0	2,248	10
2220			0	11
2231			18	12
2232	0	0	3,557	13
	0	0	5,823	
2311			0	14
2321			0	15
2341			0	16
2351			0	17
2362			0	18
	0	0	0	
2411	4		10	19
2421	5	0	304	20
2422	0	0	205	21
2423	52	0	10,030	22
2424	0	0	0	23
2426	0	0	0	24
2431			29	25
2441			101	26
	61	0	10,679	
2681			62	27
2682			0	28
2690		143	1,648	29 c,F
3500		4	1,516	30 c
	0	139	194	

## TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (000's) (c)	Additions (000's) (d)	
<b>NET REG TELECOM. PLANT IN SERVICE</b>		17,327	691	
Plus: Allocation to Nonregulated Activity - EOY	2001			31
<b>TOTAL TELECOM. PLANT IN SERVICE - EOY</b>				
Explain all amounts shown in column (g).				

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)**

<b>Account (e)</b>	<b>Retirements (000's) (f)</b>	<b>Transfers / Adjustments (000's) (g)</b>	<b>Balance EOY (000's) (h)</b>	
	<b>61</b>	<b>145</b>	<b>18,102</b>	
2001			203	<b>31</b>
			<b>18,305</b>	

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)**

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

<b>Plant Subaccount (a)</b>	<b>Subaccount (b)</b>	<b>Balance FOY (000's) (c)</b>	<b>Additions (000's) (d)</b>	
Office Support Equipment	2123.1			<b>1</b>
Company Communications Equipment	2123.2	43		<b>2</b>
Digital Electronic Switching - Circuit	2212.1	2,220	28	<b>3</b>
Digital Electronic Switching - Packet	2212.2			<b>4</b>
Circuit Equipment - Electronic	2232.1	2,927	87	<b>5</b>
Circuit Equipment- Optical	2232.2	519	24	<b>6</b>
Aerial Cable - Nonmetallic	2421.1	2		<b>7</b>
Aerial Cable - Metallic	2421.2	305	2	<b>8</b>
Underground Cable - Nonmetallic	2422.1	6		<b>9</b>
Underground Cable - Metallic	2422.2	199		<b>10</b>
Buried Cable - Nonmetallic	2423.1	922		<b>11</b>
Buried Cable - Metallic	2423.2	8,638	522	<b>12</b>
Sub. and Deep Sea Cable - Nonmetallic	2424.1			<b>13</b>
Submarine and Deep Sea Cable - Metallic	2424.2			<b>14</b>
Intrabuilding Cable - Nonmetallic	2426.1			<b>15</b>
Intrabuilding Cable - Metallic	2426.2			<b>16</b>

Explain all amounts shown in column (g).

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)**  
(cont.)

<b>Subaccount (e)</b>	<b>Retirements (000's) (f)</b>	<b>Transfers / Adjustments (000's) (g)</b>	<b>Balance EOY (000's) (h)</b>	
2123.1			0	1
2123.2			43	2
2212.1			2,248	3
2212.2			0	4
2232.1			3,014	5
2232.2			543	6
2421.1			2	7
2421.2	5		302	8
2422.1			6	9
2422.2			199	10
2423.1			922	11
2423.2	52		9,108	12
2424.1			0	13
2424.2			0	14
2426.1			0	15
2426.2			0	16

### ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (000's) (c)	Depr Rate (d)	Annual Accrual (000's) (e)	Additional Accrual (000's) (f)	
<b>GENERAL SUPPORT ASSETS</b>						
Motor Vehicles	2112	255	12.8600	46		1
Aircraft	2113					2
Tools and Other Work Equipment	2114	247	10.0000	33		3
Buildings	2121	345	1.5300	7		4
Furniture	2122	21	10.0000			5
Office Equipment	2123	43	10.0000	0	0	6
General Purpose Computers	2124	153	20.0000	6		7
<b>NET REG--GENERAL SUPPORT ASSETS</b>		1,064		92	0	
<b>CENTRAL OFFICE ASSETS</b>						
Non-Digital Switching	2211					8
Digital Electronic Switching	2212	1,594	8.0800	147	0	9
Operator Systems	2220					10
Radio Systems	2231	16	2.2800			11
Circuit Equipment	2232	2,046	7.8100	274	0	12 c
<b>NET REG--CENTRAL OFFICE ASSETS</b>		3,656		421	0	
<b>INFORMATION ORIGATION/TERMINATION ASSETS</b>						
Station Apparatus	2311					13
Customer Premises Wiring	2321					14
Large Private Branch Exchanges	2341					15
Public Telephone Terminal Equipment	2351					16
Other Terminal Equipment	2362					17
<b>NET REG--INFORMATION ORIG/TERM ASSETS</b>		0		0	0	
<b>CABLE &amp; WIRE FACILITIES ASSETS</b>						
Poles	2411	14	3.1400	1		18 E
Aerial Cable	2421	329	3.0200	9	0	19 E
Underground Cable	2422	206	1.9000	4	0	20 E
Buried Cable	2423	5,259	4.9600	486	0	21
Submarine and Deep Sea Cable	2424	0		0	0	22
Intrabuilding Network Cable	2426	0		0	0	23
Aerial Wire	2431	50	15.0000			24 c
Conduit Systems	2441	91	.5600	1		25
<b>NET REG--CABLE &amp; WIRE FACILITIES ASSETS</b>		5,949		501	0	
<b>Net Reg Accumulated Depreciation</b>		10,669		1,014	0	
Plus: Nonreg Accumulated Depreciation	3100			30	0	26
<b>Total Accumulated Depreciation</b>				1,044	0	
<b>Columns e. f and I</b>						

**ACCUMULATED DEPRECIATION CLASS A & B (cont.)**

Acct (g)	Retired (000's) (h)	Cost of Removal (000's) (i)	Salvage (000's) (j)	Other (000's) (k)	Balance EOY (000's) (l)	
2112	0		3		304	1
2113	0				0	2
2114	0				280	3
2121	0				352	4
2122	0				21	5
2123	0	0	0	0	43	6
2124	0				159	7
	0	0	3	0	1,159	
2211	0				0	8
2212	0	0	0	0	1,741	9
2220	0				0	10
2231	0				16	11
2232	0	0	0	(2)	2,318	12 c
	0	0	0	(2)	4,075	
2311	0				0	13
2321	0				0	14
2341	0				0	15
2351	0				0	16
2362	0				0	17
	0	0	0	0	0	
2411	4				11	18 E
2421	5	4	0	0	329	19 E
2422	0	0	0	0	210	20 E
2423	52	2	0	0	5,691	21
2424	0	0	0	0	0	22
2426	0	0	0	0	0	23
2431	0			(6)	44	24 c
2441	0				92	25
	61	6	0	(6)	6,377	
	61	6	3	(8)	11,611	
3100						26
					11,611	

**ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)**

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount or subsidiary record. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

<b>Plant Subaccount (a)</b>	<b>Subacct (b)</b>	<b>Balance FOY (000's) (c)</b>	<b>Depr Rate (d)</b>	<b>Annual Accrual (000's) (e)</b>	<b>Additional Accrual (000's) (f)</b>	
Office Support Equipment	2123.1					<b>1</b>
Company Communications Equipment	2123.2	43	10.0			<b>2</b>
Digital Electronic Switching - Circuit	2212.1	1,594	8.08	147		<b>3</b>
Digital Electronic Switching - Packet	2212.2					<b>4</b>
Circuit Equipment - Electronic	2232.1	1,753	7.7	229		<b>5c</b>
Circuit Equipment- Optical	2232.2	293	8.4700	45		<b>6</b>
Aerial Cable - Nonmetallic	2421.1					<b>7</b>
Aerial Cable - Metallic	2421.2	329	3.0	9		<b>8E</b>
Underground Cable - Nonmetallic	2422.1	1	4.51			<b>9</b>
Underground Cable - Metallic	2422.2	205	1.81	4		<b>10E</b>
Buried Cable - Nonmetallic	2423.1	335	4.8	52		<b>11</b>
Buried Cable - Metallic	2423.2	4,924	5.0	434		<b>12</b>
Sub. and Deep Sea Cable - Nonmetallic	2424.1					<b>13</b>
Submarine and Deep Sea Cable - Metallic	2424.2					<b>14</b>
Intrabuilding Cable - Nonmetallic	2426.1					<b>15</b>
Intrabuilding Cable - Metallic	2426.2					<b>16</b>



**ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)**

<b>Subacct (g)</b>	<b>Retired (000's) (h)</b>	<b>Cost of Removal (000's) (i)</b>	<b>Salvage (000's) (j)</b>	<b>Other (000's) (k)</b>	<b>Balance EOY (000's) (l)</b>	
2123.1	0				0	1
2123.2	0				43	2
2212.1	0				1,741	3
2212.2	0				0	4
2232.1	0			(2)	1,980	5 C
2232.2	0				338	6
2421.1	0				0	7
2421.2	5	4			329	8 E
2422.1	0				1	9
2422.2	0				209	10 E
2423.1	0				387	11
2423.2	52	2			5,304	12
2424.1	0				0	13
2424.2	0				0	14
2426.1	0				0	15
2426.2	0				0	16

### RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
Balance-First of Year	13,592	12,285	1
<b>Changes:</b>			
Balance Transferred from Income	1,439	1,307	2
<b>Dividends Declared:</b>			
Common			3
Preferred			4
<b>Total Dividends Declared</b>	<b>0</b>	<b>0</b>	
Miscellaneous Debits to Retained Earnings			5
Miscellaneous Credits to Retained Earnings			6
<b>Balance--End of Year</b>	<b><u>15,031</u></b>	<b><u>13,592</u></b>	

**REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
<b>LOCAL NETWORK SERVICES REVENUES</b>			
Basic Local Service Revenue (5000)*			1
Basic Area Revenue (5001)	1,751	1,708	2
Private Line Revenue (5040)	118	104	3
Other Basic Area Revenue (5060)	523	724	4 T
<b>TOTAL LOCAL NETWORK SERVICES REVENUES</b>	<b>2,392</b>	<b>2,536</b>	
<b>INTERSTATE NETWORK ACCESS SERVICES REV.</b>			
End User Revenue (5081)*	817	757	5
Switched Access Revenue (5082)*	476	460	6
Special Access Revenue (5083)*	161	127	7 G
<b>TOTAL INTERSTATE NETWORK ACCESS SERVICES REV.</b>	<b>1,454</b>	<b>1,344</b>	
<b>INTRASTATE NETWORK ACCESS SERVICES REV.</b>			
End User Revenue (5081)*			8
Switched Access Revenue (5082)*	1,685	1,647	9
Special Access Revenue (5083)*	341	370	10
<b>TOTAL INTRASTATE NETWORK ACCESS SERVICES REV.</b>	<b>2,026</b>	<b>2,017</b>	
<b>LONG DISTANCE NETWORK SERVICES MESSAGE REV.</b>			
Long Distance Message Revenue (5100)*			11
<b>TOTAL LONG DISTANCE NETWORK SERVICES MESSAGE REV.</b>	<b>0</b>	<b>0</b>	
<b>MISCELLANEOUS &amp; NONREGULATED REVENUES</b>			
Miscellaneous Revenue (5200)*	---CONF---	---CONF---	12 H
Directory Revenue (5230)	---CONF---	---CONF---	13 I
Nonregulated Operating Revenue (5280)*	---CONF---	---CONF---	14
<b>TOTAL MISCELLANEOUS &amp; NONREGULATED REVENUES</b>	<b>1,485</b>	<b>1,235</b>	
<b>GROSS OPERATING REVENUES</b>	<b>7,357</b>	<b>7,132</b>	
<b>UNCOLLECTIBLE REVENUES</b>			
Uncollectible Revenue (5300)*	(55)	135	15 J
<b>TOTAL UNCOLLECTIBLE REVENUES</b>	<b>(55)</b>	<b>135</b>	
<b>TOTAL OPERATING REVENUES</b>	<b>7,412</b>	<b>6,997</b>	

## EXPENSES - CLASS A & B

Particulars (a)	Total This Year (000's) (b)	Total Last Year (000's) (c)	
<b>PLANT SPECIFIC OPERATIONS EXPENSE</b>			
Net Reg Network Support Expense (6110)	15	14	1 K
Net Reg General Support Expense (6120)	74	57	2 K
Net Reg Central Office Switching Expense (6210)	144	123	3 L
Net Reg Operator Systems Expense (6220)			4
Net Reg Central Office Transmission Expenses (6230)	67	58	5
Net Reg Information Orig. / Term. Expense (6310)			6
Net Reg Cable and Wire Facilities Expense (6410)	333	246	7 K
<b>NET REGULATED</b>	<b>633</b>	<b>498</b>	
<b>PLUS: NONREGULATED</b>	<b>381</b>	<b>303</b>	<b>8</b>
<b>TOTAL PLANT SPECIFIC OPERATIONS EXPENSE</b>	<b>1,014</b>	<b>801</b>	
<b>PLANT NONSPECIFIC OPERATIONS EXPENSE</b>			
Net Reg Other Property, Plant and Equip. Exp. (6510)	0	0	9 L
Net Reg Network Operations Expense (6530)	384	371	10
Net Reg Access Expense (6540)	128	80	11 M
Net Reg Depreciation and Amortization Expense (6560)	1,021	1,225	12
<b>NET REGULATED</b>	<b>1,533</b>	<b>1,676</b>	
<b>PLUS: NONREGULATED</b>	<b>223</b>	<b>167</b>	<b>13</b>
<b>TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSE</b>	<b>1,756</b>	<b>1,843</b>	
<b>CUSTOMER OPERATIONS EXPENSE</b>			
Net Reg Marketing (6610)	219	274	14
Net Reg Services (6620)	619	611	15
<b>NET REGULATED</b>	<b>838</b>	<b>885</b>	
<b>PLUS: NONREGULATED</b>	<b>281</b>	<b>223</b>	<b>16</b>
<b>TOTAL CUSTOMER OPERATIONS EXPENSE</b>	<b>1,119</b>	<b>1,108</b>	
<b>CORPORATE OPERATIONS EXPENSE</b>			
Net Reg General and Administrative (6720)	1,030	959	17
Net Reg Provision for Uncollectible Notes Receiv. (6790)			18
<b>NET REGULATED</b>	<b>1,030</b>	<b>959</b>	
<b>PLUS: NONREGULATED</b>	<b>36</b>	<b>45</b>	<b>19</b>
<b>TOTAL CORPORATE OPERATIONS EXPENSE</b>	<b>1,066</b>	<b>1,004</b>	
<b>NET REGULATED</b>	<b>4,034</b>	<b>4,018</b>	
<b>PLUS: NONREGULATED</b>	<b>921</b>	<b>738</b>	
<b>TOTAL EXPENSES</b>	<b>4,955</b>	<b>4,756</b>	

### EXPENSES - CLASS A & B (DETAIL)

Particulars (a)	Total This Year (000's) (b)	Total Last Year (000's) (c)	
Property Held for Future Tele. Use Exp. ( 6511 )			1
Provisioning Expense ( 6512 )			2
<b>NET REG: Reported in Account 6510</b>	<b>0</b>	<b>0</b>	
Depreciat. Exp.--Tele. Plant in Service ( 6561 )	991	1,094	3
Depreciat. Exp.--Prop. Held for Future Tele. Use ( 6562 )			4
Amortization Expense--Tangible ( 6563 )	20		5
Amortization Expense--Intangible ( 6564 )	10	127	6
Amortization Expense--Other ( 6565 )		4	7
<b>NET REG: Reported in Account 6560</b>	<b>1,021</b>	<b>1,225</b>	

## CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

**Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.**

Description (a)	This Year (000's) (b)	
Gross Operating Revenues	7,357	1
Plus: Collection of amounts previously written off		2 D
Less: Uncollectibles written off during the year	(55)	3 D
Plus: Total Net Reg. Other Operating Income and (Expense) (7100)	3	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)	841	5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify):		
	0	8
<b>Assessable Revenues for Remainder and Telephone Relay Assessment Purposes</b>	<b>6,574</b>	

## CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (000's) (b)	
Total Basic Local Service Revenue (5000)	2,392	1
Plus: Total Intrastate Access Revenues (5081-5083)	2,026	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues	---CONF---	5
Plus (or Less) Other (please specify):		
	---CONF---	6
<b>Assessable Revenues for Universal Service Fund Assessment Purposes</b>	<b>---CONF---</b>	

# OTHER INCOME ACCOUNTS

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
<b>OTHER OPERATING INCOME AND EXPENSE</b>			
Net Reg Other Operating Income and (Expense) (7100)	3	3	1
<b>NET REGULATED</b>	<b>3</b>	<b>3</b>	
<b>PLUS: NONREGULATED</b>	<b>0</b>	<b>0</b>	2
<b>TOTAL OTHER OPERATING INCOME AND EXPENSE (7100)</b>	<b>3</b>	<b>3</b>	
<b>OPERATING TAXES</b>			
Net Reg Operating Investment Tax Credits--Net (7210)			3
Net Reg Operating Federal Income Taxes (7220)	812	624	4
Net Reg Operating State and Local Income Taxes (7230)	227	190	5
Net Reg Operating Other Taxes (7240)	139	146	6
Net Reg Provision for Deferred Operating Income Taxes--Net (7250)	(113)	(14)	7
<b>NET REGULATED</b>	<b>1,065</b>	<b>946</b>	
<b>PLUS: NONREGULATED</b>	<b>(33)</b>	<b>11</b>	8
<b>TOTAL OPERATING TAXES (7200)</b>	<b>1,032</b>	<b>957</b>	
<b>NONOPERATING INCOME AND EXPENSE</b>			
Net Reg Dividend Income (7310)	70	60	9
Net Reg Interest Income (7320)	123	177	10
Net Reg Income from Sinking and Other Funds (7330)			11
Net Reg Allowance for Funds Used During Construction (7340)		6	12
Net Reg Gains or (Losses) from the Disposition of Certain Property (7350)			13
Net Reg Other Nonoperating Income (7360)			14
Net Reg Special Charges (7370)	3	6	15
<b>NET REGULATED</b>	<b>190</b>	<b>237</b>	
<b>PLUS: NONREGULATED</b>	<b>0</b>	<b>0</b>	16
<b>TOTAL NONOPERATING INCOME AND EXPENSE (7300)</b>	<b>190</b>	<b>237</b>	
<b>NONOPERATING TAXES</b>			
Net Reg Nonoperating Taxes (7400)	42	62	17
<b>NET REGULATED</b>	<b>42</b>	<b>62</b>	
<b>PLUS: NONREGULATED</b>	<b>0</b>	<b>0</b>	18
<b>TOTAL NONOPERATING TAXES (7400)</b>	<b>42</b>	<b>62</b>	
<b>INTEREST AND RELATED ITEMS</b>			
Net Reg Interest and Related Items (7500)	137	155	19
<b>NET REGULATED</b>	<b>137</b>	<b>155</b>	
<b>PLUS: NONREGULATED</b>	<b>0</b>	<b>0</b>	20
<b>TOTAL INTEREST AND RELATED ITEMS (7500)</b>	<b>137</b>	<b>155</b>	
<b>EXTRAORDINARY ITEMS</b>			
Net Reg Extraordinary Items (7600)			21
<b>NET REGULATED</b>	<b>0</b>	<b>0</b>	
<b>PLUS: NONREGULATED</b>	<b>0</b>	<b>0</b>	22
<b>TOTAL EXTRAORDINARY ITEMS (7600)</b>	<b>0</b>	<b>0</b>	
<b>NONREGULATED NET INCOME</b>			
Nonregulated Net Income (7990)			23
<b>TOTAL NONREGULATED NET INCOME (7990)</b>	<b>0</b>	<b>0</b>	
<b>TOTAL NET REGULATED</b>	<b>1,437</b>	<b>1,403</b>	
<b>TOTAL NONREGULATED</b>	<b>(33)</b>	<b>11</b>	
<b>TOTAL OTHER INCOME ACCOUNTS</b>	<b>1,404</b>	<b>1,414</b>	

## NONREGULATED ACCUMULATED DEPRECIATION

Plant Account (a)	Acct (b)	Annual Accrual (000's) (c)	Additonal Accrual (000's) (d)	Balance EOY (000's) (e)	
---CONF---	-CONF-	---CONF---	---CONF---	---CONF---	1
---CONF---	-CONF-	---CONF---	---CONF---	---CONF---	2
---CONF---	-CONF-	---CONF---	---CONF---	---CONF---	3
<b>Total Nonregulated Accumulated Depreciation</b>		<b>30</b>	<b>0</b>	<b>156</b>	



**NONREGULATED INCOME STATEMENT**

<b>Particulars (a)</b>	<b>This Year (000's) (b)</b>	<b>Last Year (000's) (c)</b>	
<b>NONREGULATED REVENUES</b>			
Nonregulated Operating Revenue (5280)	---CONF---	---CONF---	<b>1</b>
<b>NONREGULATED EXPENSES</b>			
<b>Plant Specific Operations Expense</b>			
Nonregulated Network Support Expense (6110)	---CONF---	---CONF---	<b>2</b>
Nonregulated General Support Expense (6120)	---CONF---	---CONF---	<b>3</b>
Nonregulated Central Office Switching Expense (6210)	---CONF---	---CONF---	<b>4</b>
Nonregulated Operator Systems Expense (6220)	---CONF---	---CONF---	<b>5</b>
Nonregulated Central Office Transmission Expense (6230)	---CONF---	---CONF---	<b>6</b>
Nonregulated Information Orig./Term. Expense (6310)	---CONF---	---CONF---	<b>7</b>
Nonregulated Cable and Wire Facilities Expense (6410)	---CONF---	---CONF---	<b>8</b>
<b>Total Nonregulated Plant Specific Operations Expense</b>	<b>381</b>	<b>303</b>	
<b>Plant Nonspecific Operations Expense</b>			
Nonregulated Other Property, Plant and Equip. Exp (6510)	---CONF---	---CONF---	<b>9</b>
Nonregulated Network Operations Expense (6530)	---CONF---	---CONF---	<b>10</b>
Nonregulated Access Expense (6540)	---CONF---	---CONF---	<b>11</b>
Nonregulated Depreciation and Amortization Expense (6560)	---CONF---	---CONF---	<b>12</b>
<b>Total Nonregulated Plant Nonspecific Operations Expense</b>	<b>223</b>	<b>167</b>	
<b>Customer Operations Expense</b>			
Nonregulated Marketing (6610)	---CONF---	---CONF---	<b>13</b>
Nonregulated Services (6620)	---CONF---	---CONF---	<b>14</b>
<b>Total Nonregulated Customer Operations Expense</b>	<b>281</b>	<b>223</b>	
<b>Corporate Operations Expense</b>			
Nonregulated General and Administrative (6720)	---CONF---	---CONF---	<b>15</b>
Nonregulated Provision for Uncollectible Notes Receivable (6790)	---CONF---	---CONF---	<b>16</b>
<b>Total Nonregulated Corporate Operations Expense</b>	<b>36</b>	<b>45</b>	
<b>TOTAL NONREGULATED EXPENSES (Excluding Other Income Accts.)</b>	<b>921</b>	<b>738</b>	
<b>OTHER NONREGULATED INCOME ACCOUNTS</b>			
Nonregulated Other Operating Income and Expense (7100)			<b>17</b>
Nonregulated Operating Taxes (7200)	(33)	11	<b>18</b>
Nonregulated Nonoperating Income and Expense (7300)			<b>19</b>
Nonregulated Nonoperating Taxes (7400)			<b>20</b>
Nonregulated Interest and Related Items (7500)			<b>21</b>
Nonregulated Extraordinary Items (7600)			<b>22</b>
<b>NONREGULATED NET INCOME</b>	<b>(47)</b>	<b>17</b>	

## NONREGULATED ACTIVITIES

List the type of nonregulated activities that the company is involved in.

<b>Nonregulated Activity (a)</b>	
1 & 2 line phones, business systems & inside wiring.	<b>1</b>
Direct Broadcast Systems (DBS) where available.	<b>2</b>
Internet service where available.	<b>3</b>
Mobile equipment where tariff allows and where available.	<b>4</b>
Paging service where tariff allows and where available.	<b>5</b>
Voicemail service where tariff allows and where available.	<b>6</b>

## NONREGULATED INVESTMENTS

Particulars (a)	Balance EOY (000's) (b)	
Telecommunications Plant in Service - Allocation to Nonregulated Activity	203	1
Accumulated Depreciation - Allocation to Nonregulated Activity	156	2
Telecommunications Plant Under Construction - Allocation to Nonregulated Activity	---CONF---	3
Inventories - Allocation to Nonregulated Activity	---CONF---	4
Net Deferred Operating Income Taxes - Allocation to Nonregulated Activity	---CONF---	5
<b>Net Nonregulated Investments</b>	<b>---CONF---</b>	

## NONREGULATED TELECOMMUNICATIONS PLANT IN SERVICE

Plant Account (a)	Account (b)	Balance EOY (000's) (c)	
---CONF---	---CONF---	---CONF---	1
---CONF---	---CONF---	---CONF---	2
---CONF---	---CONF---	---CONF---	3
<b>TOTAL NONREGULATED TELECOMMUNICATIONS PLANT IN SERVICE</b>		<b>203</b>	

## EMPLOYEE DATA - END OF YEAR

Report employee data based on primary allocation of respective wages and salaries.

Particulars (a)	Employees (b)	
<b>Plant Operations</b>		
Supervisory & Management	1	1
Central Office	1	2
Outside Plant	9	3
Building & Service		4
Other		5
<b>Customer Operations</b>		
Supervisory & Management		6
Operators		7
Business Office	5	8
Other	1	9
<b>Corporate Operations</b>		
Executive & General Management	1	10
Accounting & Finance		11
External Relations		12
Human Resources		13
Information Management		14
Legal		15
Procurement		16
Research & Development		17
Other		18
<b>Other</b>		
All Other Employees, Not Listed Above		19
<b>Total Employees</b>	<b>18</b>	
Part-Time Employees		20
Full-Time Employees	18	21
<b>Total Part-Time and Full-Time Employees</b>	<b>18</b>	

**TELEPHONE CALLS AND MINUTES OF USE PER MONTH**

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
<b>LOCAL</b>			
Intra-Exchange	---CONF---	---CONF---	1 A
Extended Area Service	---CONF---	---CONF---	2 A
Extended Community Calling	---CONF---	---CONF---	3 A
Other Local-Undefined	---CONF---	---CONF---	4 A
<b>Total Local</b>	<b>0</b>	<b>0</b>	
<b>TOLL</b>			
Toll	1,051	3,681	5
<b>Total Toll</b>	<b>1,051</b>	<b>3,681</b>	
<b>Total Local &amp; Toll</b>	<b>1,051</b>	<b>3,681</b>	

## ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	1
Feature Group A -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	2
Feature Group B -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	3
Feature Group B -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	4
Feature Group C -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	5
Feature Group C -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	6
Feature Group D -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	7
Feature Group D -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	8

### OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	63	1
Strand miles of plant - fiber optics	987	2
Route miles of plant - microwave		3

### SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	---CONF---	---CONF---	1
56 kbps	---CONF---	---CONF---	2
64 kbps (DS0)	---CONF---	---CONF---	3 B
1.54 Mbps (DS-1)	---CONF---	---CONF---	4
45 Mbps (DS-3)	---CONF---	---CONF---	5 B
SONET OC-1	---CONF---	---CONF---	6
SONET OC-3	---CONF---	---CONF---	7
SONET OC-12	---CONF---	---CONF---	8
SONET OC-48	---CONF---	---CONF---	9
SONET OC-192	---CONF---	---CONF---	10



**SERVICE DATA**

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
<b>Business</b>			
1 Party	---CONF---	---CONF---	3
2 Party	---CONF---	---CONF---	4
4 Party	---CONF---	---CONF---	5
PBX Trunks/System Trunks	---CONF---	---CONF---	6
Centrex Trunks	---CONF---	---CONF---	7
Centrex Lines	---CONF---	---CONF---	8
Key System Trunks	---CONF---	---CONF---	9
Mobile (Utility Provided Service)	---CONF---	---CONF---	10
Paging (Utility Provided Service)	---CONF---	---CONF---	11
FX-Out (Switched)	---CONF---	---CONF---	12
Pay Telephone	---CONF---	---CONF---	13
Coin-Operated Pay Telephone	---CONF---	---CONF---	14
Independent Pay Telephone Provider	---CONF---	---CONF---	15
Other	---CONF---	---CONF---	16
<b>Total Business Lines</b>	<b>2,148</b>	<b>2,078</b>	17
<b>Residential (Incl. Emp. Concess.)</b>			
1 Party	---CONF---	---CONF---	19
2 Party	---CONF---	---CONF---	20
4 Party	---CONF---	---CONF---	21
FX-Out (Switched)	---CONF---	---CONF---	22
Other	---CONF---	---CONF---	23
<b>Total Residential Lines</b>	<b>6,826</b>	<b>6,084</b>	24
<b>Total Bus &amp; Res Lines</b>	<b>8,974</b>	<b>8,162</b>	25
Company Used Lines	152	138	26
<b>Total Lines Used</b>	<b>9,126</b>	<b>8,300</b>	27

### SERVICE DATA (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
<b>Miscellaneous</b>			
WATS Lines - OutWATS	---CONF---	---CONF---	3
WATS Lines - 800 Service	---CONF---	---CONF---	4
FX-In-intraLATA	---CONF---	---CONF---	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	---CONF---	---CONF---	7
Special Access-interLATA			8
(expressed in equiv. access lines)	---CONF---	---CONF---	9
Feature Group A Lines	---CONF---	---CONF---	10
Feature Group B Trunks	---CONF---	---CONF---	11
Feature Group C Trunks	---CONF---	---CONF---	12
Feature Group D Trunks	---CONF---	---CONF---	13
TSPS - Trunks	---CONF---	---CONF---	14
EAS and ECC - Trunks	0	0	15
Cellular Trunks (Pub. Sw. Net.)	---CONF---	---CONF---	16
Video Distance Learning	5	4	17
- discounted (special tariff)			18
<b>Customers</b>			
Number of Lifeline customers at FOY (January 1, 2003)			19
and EOY (December 31, 2003):	216	275	20
Number of Linkup customers connected during			21
FOY (Calendar year 2002) and EOY (Calendar year 2003):	30	53	22
<b>Other</b>			
Total Company Square Miles	466	466	23
Total Company Route Miles	711	729	24
Footnotes			25
			26

**SERVICE DATA - END OF YEAR**

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	1510	3280	5120		1
<b>Business</b>					2
1 Party	---CONF---	---CONF---	---CONF---		3
2 Party	---CONF---	---CONF---	---CONF---		4
4 Party	---CONF---	---CONF---	---CONF---		5
PBX Trunks/System Trunks	---CONF---	---CONF---	---CONF---		6
Centrex Trunks	---CONF---	---CONF---	---CONF---		7
Centrex Lines	---CONF---	---CONF---	---CONF---		8
Key System Trunks	---CONF---	---CONF---	---CONF---		9
Mobile (utility provided service)	---CONF---	---CONF---	---CONF---		10
Paging (utility provided service)	---CONF---	---CONF---	---CONF---		11
FX-Out (Switched)	---CONF---	---CONF---	---CONF---		12
Pay Telephone	---CONF---	---CONF---	---CONF---		13
Coin-Operated Pay Telephone	---CONF---	---CONF---	---CONF---		14
Independent Pay Telephone Provider	---CONF---	---CONF---	---CONF---		15
Other	---CONF---	---CONF---	---CONF---		16
<b>Total Business Lines</b>	---CONF---	---CONF---	---CONF---	0	17
<b>Residential (Incl. Emp. Concess.)</b>					18
1 Party	---CONF---	---CONF---	---CONF---		19
2 Party	---CONF---	---CONF---	---CONF---		20
4 Party	---CONF---	---CONF---	---CONF---		21
FX-Out (Switched)	---CONF---	---CONF---	---CONF---		22
Other	---CONF---	---CONF---	---CONF---		23
<b>Total Residential Lines</b>	---CONF---	---CONF---	---CONF---	0	24
<b>Total Bus &amp; Res Lines</b>	---CONF---	---CONF---	---CONF---	0	25
Company Used Lines	---CONF---	---CONF---	---CONF---		26
<b>Total Lines Used</b>	---CONF---	---CONF---	---CONF---	0	27

**SERVICE DATA - END OF YEAR (cont.)**

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

<b>Item (a)</b>	<b>Exchange (b)</b>	<b>Exchange (c)</b>	<b>Exchange (d)</b>	<b>Exchange (e)</b>	
PSCW Exchange ID	1510	3280	5120		<b>1</b>
<b>Miscellaneous</b>					<b>2</b>
WATS Lines - OutWATS	---CONF---	---CONF---	---CONF---		<b>3</b>
WATS Lines - 800 Service	---CONF---	---CONF---	---CONF---		<b>4</b>
FX-In-intraLATA	---CONF---	---CONF---	---CONF---		<b>5</b>
Special Access-intraLATA					<b>6</b>
(equiv. access lines)	---CONF---	---CONF---	---CONF---		<b>7</b>
Special Access-interLATA					<b>8</b>
(equiv. access lines)	---CONF---	---CONF---	---CONF---		<b>9</b>
Feature Group A Lines	---CONF---	---CONF---	---CONF---		<b>10</b>
Feature Group B Trunks	---CONF---	---CONF---	---CONF---		<b>11</b>
Feature Group C Trunks	---CONF---	---CONF---	---CONF---		<b>12</b>
Feature Group D Trunks	---CONF---	---CONF---	---CONF---		<b>13</b>
TSPS - Trunks	---CONF---	---CONF---	---CONF---		<b>14</b>
EAS and ECC - Trunks	---CONF---	---CONF---	---CONF---		<b>15</b>
Cellular Trunks (Pub. Sw. Net.)	---CONF---	---CONF---	---CONF---		<b>16</b>
Video Distance Learning					<b>17</b>
- discounted (special tariff)	---CONF---	---CONF---	---CONF---		<b>18</b>
<b>Other</b>					<b>19</b>
Exchange Square Miles	---CONF---	---CONF---	---CONF---		<b>20</b>
Exchange Route Miles	---CONF---	---CONF---	---CONF---		<b>21</b>
Footnotes					<b>22</b>

## MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Lucent	ATT/LUC	5
Nippon Electric	NEC	6
Northern Telecom	NTI	7
Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

## EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

**CENTRAL OFFICE DATA - END OF YEAR**

When an exchange has more than one central office, data must be reported for each central office.

<b>Description (a)</b>	<b>Central Off. (b)</b>	<b>Central Off. (c)</b>	<b>Central Off. (d)</b>	<b>Central Off. (e)</b>	
Exchange Name	DORCHESTER	MEDFORD	STETSONVILLE		1
PSCW Exchange ID	1510	3280	5120		2
Central Office Name	DORCHESTER	MEDFORD	STETSONVILLE		3
PSCW Central Office ID	1	1	1		4
Central Office CLLI Code	DRCHWIXARS1	MDFDWIXADSB	STVLWIXARS1		5
Manufacturer of COE (Page 54)	SI	SC	SC		6
Year COE Installed	1996	1996	1996		7
Type of Equipment (Page 54)	Digi	D	DIGI		8
(S)tandalone, (H)ost, (R)emote, (A)dv Fiber Comm	R	H	R		9
Remote Host PSCW Exchange ID	3280		3280		10
Remote Host PSCW Central Office ID	1	0	1		11
COE Generic Software Release No.	RMT	19	RMT		12
SS7?	Yes	Yes	Yes		13
9-1-1?	Yes	Yes	Yes		14
Access Lines - In Use	---CONF---	---CONF---	---CONF---		15
- Equipped	---CONF---	---CONF---	---CONF---		16
- Wired	---CONF---	---CONF---	---CONF---		17
Trunks - In Use	---CONF---	---CONF---	---CONF---		18
- Equipped	---CONF---	---CONF---	---CONF---		19
- Wired	---CONF---	---CONF---	---CONF---		20
ISDN Available?	Yes	Yes	Yes		21
ISDN Lines - In Use (BRI)	---CONF---	---CONF---	---CONF---		22
- In Use (PRI)	---CONF---	---CONF---	---CONF---		23
XDSL Available?	Yes	Yes	No		24
- In Use (# lines)	---CONF---	---CONF---	---CONF---		25
Switched 56 Service?	Yes	Yes	Yes		26
Switched 56 lines in use	---CONF---	---CONF---	---CONF---		27
Digital Transmission Facilities: DS-1 - In Use	---CONF---	---CONF---	---CONF---		28
DS-3 - In Use	---CONF---	---CONF---	---CONF---		29
Advanced Data Service Available:					
Packet Switching?	No	No	No		30
SMDS?	No	No	No		31
Frame Relay?	No	No	No		32
ATM (Asynchronous Trans. Mode)?	No	No	No		33
Video Information - Service Available?	Yes	Yes	Yes		34
- In Use (# lines) <sup>1</sup>	---CONF---	---CONF---	---CONF---		35
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	---CONF---	---CONF---	---CONF---		36
No. of fiber strands working (LIT) in C.O.	---CONF---	---CONF---	---CONF---		37
No. of fiber strands for interoffice use	---CONF---	---CONF---	---CONF---		38
Miles of fiber sheath in wire center	---CONF---	---CONF---	---CONF---		39
Access Tandem Serving this C.O.:					
- C.O. Name	WAUSAU	WAUSAU	WAUSAU		40
- PSCW C.O. ID	5700-01	5700-01	5700-01		41
Does this C.O. do access tandem switching?	No	No	No		42
Footnotes					43

<sup>1</sup> Teleco provided end-to-end facility.

## GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

### General Footnote

### Schedule Footnotes

### Schedule Line Footnotes

- A) This information is not available.
- B) Where a zero is indicated, the Company does not have these types of circuits in service.
- C) Amounts listed on page 22 in column (g) and pages 26 and 28, column (k) are reclasses between accounts or transfers with affiliates.
- D) Collection of amounts previously written off and uncollectibles written off during the year are netted on line 3.
- E) Accumulated depreciation is greater than the asset balance because per the WI PSC, the company is allowed to depreciate more than 100% of this account group.
- F) The composite depreciation rate for A/C 2690 is .62%.
- G) Increase is due to increase in special access circuits.
- H) Increase is because some 2002 E911 receipts were received in 2003. Also, had an increase in B&C due to increased messages.
- I) Increase is due to directory revenues and expenses being netted together in 2002.
- J) 2002 contained WorldCom/MCI and Global Crossing write-offs due to bankruptcy. In 2003 the company recovered some of these dollars.
- K) Increase is due to increased employee expenses due to early retirement program.
- L) Increase is due to new non-regulated activity beginning in late 2002.
- M) Increase is due to increase in USAC and WI TEACH.
- N) Prepayment to affiliate is recorded in account 1280.
- O) \$169K of this amount is a prepayment to affiliate that is recorded in account 1280.
- P) Federal Income Tax payable to affiliate is recorded in account 4070.
- Q) State Income Tax payable to affiliate is recorded in account 4070.
- R) Capital lease with affiliate is recorded in account 4250.
- S) Zero shares are reported because the company is a Delaware LLC which has members. No shares are issued. 100% of the membership interest is owned by TDS Telecommunications Corporation.
- T) Change is due to reclassifying Interstate USF revenues from 5060 to 5082.